

AGENDA



Thursday, March 6, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 22**

Subject: Authorize execution of Amendment No. 2 to a requirements supply contract for industrial supplies and equipment through the TEXAS MULTIPLE AWARD SCHEDULE (TXMAS) with GRAINGER, INC., Austin, TX, to increase the current contract in an estimated amount not to exceed \$308,000, and increase each of the two remaining 12-month extension options in an estimated amount not to exceed \$170,000 per extension option, for a revised total estimated contract amount not to exceed \$2,602,901.

Amount and Source of Funding: Funding in the amount of \$162,000 is available in the 2007-2008 Operating Budget for the Austin Water Utility Department. Funding in the amount of \$77,778 is available in the 2007-2008 Operating Budget of the Financial and Administrative Services Department, Building Services Division. Funding for the remaining two months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Cruz Banda, Buyer II/974-2133

Purchasing Language: Cooperative Purchase.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified, therefore, no goals were established for this solicitation.

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

Prior Council Action: 05/04/06 – Approved 31-month contract, with two 12-month extension options.

On May 4, 2006, Council approved a 31-month requirements supply contract, with two 12-month extension options that provides a reliable source for industrial supplies and equipment used by various City departments.

This increase will allow Austin Water Utility to continue to purchase small shop equipment and shop supplies on an as needed basis for the daily operations of the department that are not available under other City contracts. In addition, Building Services Division of the Financial and Administrative Services Department will begin testing a pilot program that will allow staff to order parts through the Internet and vendor website. If the pilot is successful, other City departments may be converted to on-line ordering.

Items to be purchased from the Grainger catalog will consist of tools and equipment items designated under the motors and power transmission, tools and test instruments and outdoor equipment, metal working and shop supplies, safety and security, and fluid power categories.

Grainger is contracted through TXMAS to provide this equipment to other public entities state-wide. This cooperative purchasing program established by the Texas Building and Procurement Commission and now administered by the Texas Comptroller of Public Accounts, allows the City to use TXMAS contracts

that have been developed from contracts that were competitively bid and awarded by the General Services Administration's Federal Supply Service.